



We build strength, stability, self-reliance *and* shelter.

March 31, 2023

RE: **Support for HB 5005**

Co-Chair Girod, Co-Chair Holvey, and Members of the Committee,

Thank you for the opportunity to submit testimony today in support of HB 5005. My name is Shannon Vilhauer and I am writing on behalf Habitat for Humanity of Oregon and the 24 local Habitat for Humanity affiliates we serve. We urge your strong support for HB 5005 and, specifically, its investment of \$154 million in the **Local Innovation and Fast Track (LIFT) for Homeownership Program**.

Habitat for Humanity partners with families of modest means to enable them to break the cycle of intergenerational poverty by purchasing a key asset: their home. Habitat for Humanity of Oregon recently conducted a statewide homeowner impact study that highlights the educational benefits experienced by the children living in Habitat homes:

- 63% of the children we serve received better grades after moving into their Habitat home.
- 92% of the children raised in Habitat homes graduated from high school, exceeding Oregon's high school graduation rate by 16%.

The children of Habitat homeowners also experience improved health outcomes, receive higher adult earnings and are far more likely to become homeowners themselves.

We're proud to report that our network of 24 local Habitat for Humanity affiliates—building and repairing homes in Oregon communities of all sizes—has provided 338 first-time homeownership opportunities in the past five years alone. Network-wide, we continue to steadily increase production, despite challenges like the COVID-19 pandemic, Oregon wildfires and supply chain disruptions. Local affiliates who actively leverage LIFT for Homeownership has tripled homeownership production within three years. This growth has occurred in rural, suburban and urban Oregon cities and towns.

The Local Innovation and Fast Track for Homeownership Program (LIFT HO) is one of several tools that organizations across the state use in order to create affordable homeownership opportunities for low- to moderate-income families and to address racial disparities in homeownership in Oregon. Since its creation in 2015, LIFT HO has demonstrated a significant impact by providing homeownership opportunities in a market where the dream of homeownership is becoming further out of reach, particularly for communities of color, and for families earning below 80 percent of area median income. The Oregon Legislature should invest in increased capacity for LIFT HO so we can take serious action on creating safe, stable, and affordable homes that Oregonians with low incomes can afford.

At this very moment, our Habitat for Humanity of Oregon staff team is working closely with nine Oregon Habitat affiliates to submit 11 competitive applications for LIFT for Homeownership, paired with general fund Home Ownership Incubator Program resources. Together, we are seeking nearly \$18 million dollars

in these paired resources to build 92 new, permanently affordable Habitat for Humanity homes. The breakdown of this request includes \$8.1 million in LIFT for Homeownership requests and \$9.7 million in general funds. Another six Oregon Habitat affiliates are applying directly to OHCS for these paired resources. We greatly appreciate the legislature's recent investments to support the expanded production of affordable homes for sale. With your continued support, we will keep steadily increasing our capacity.

Our state must respond to our deepening housing crisis by making serious investments in housing opportunities. LIFT for Homeownership is an innovative tool that our state has to create more homeownership opportunities that are affordable to people with low incomes, and deserves continued and robust funding.

We urge your support for HB 5005. Thank you for your service to our state.

In partnership,



Shannon M. Vilhauer, Executive Director